



Comptroller General
of the United States

Washington, D.C. 20548

McArthur 147851

Decision

Matter of: S-V Company, A Joint Venture

File: B-248566; B-248566.3

Date: August 27, 1992

Bill Cosmos Giallourakis, Esq., for the protester,
Leif T. Erickson for Holmes & Narver Services, Inc., an
interested party.
Herbert F. Kelley, Jr., Esq., and Brenda S. Quinn, Esq.,
Department of the Army, for the agency.
C. Douglas McArthur, Esq., Andrew T. Pogany, Esq., and
Michael R. Golden, Esq., Office of the General Counsel, GAO,
participated in the preparation of the decision.

DIGEST

1. Where solicitation provided for evaluation of experience as a subfactor under three of four evaluation criteria, agency consideration of information obtained from other activities regarding the experience of the protester's proposed project manager was neither unreasonable nor inconsistent with the solicitation evaluation scheme.

2. Award to a higher cost, higher rated offeror was reasonable and consistent with an evaluation scheme that emphasized technical excellence; even if use of "best value analysis," involving numerical scoring of both price and technical factors, instead of use of "most advantageous" analysis, may have accorded price greater importance in evaluation than identified in solicitation, protester, as low price offeror, benefitted rather than being harmed.

DECISION

S-V Company, a joint venture of Sharp Construction Co., Inc. and VOLMAR Construction, Inc., protests the award of a contract to Holmes & Narver Services, Inc., under request for proposals (RFP) No. DABT35-91-R-0025, issued by the Department of the Army for maintenance, repair, and construction work. S-V essentially alleges that the agency misevaluated proposals. We deny the protest.

On May 29, 1991, the agency issued the solicitation for an indefinite quantity, fixed-price type contract to furnish labor, materials, equipment, supervision, and transportation necessary to perform a broad range of maintenance, repair,

and minor construction work on real property at Fort Dix, New Jersey, and various Army Reserve centers for a base year with two 1-year option periods. The solicitation provided for award to the responsible offeror whose proposal was most advantageous to the government.

The RFP contained the following technical evaluation factors: (1) management proposal (including experience of proposed staff in required work, specifying education, training, and experience for key personnel); (2) subcontracting plan (specific subcontractor experience with maintenance and repair work and minor new construction); (3) technical staff capability (including detailed experience of individuals in general project management); and (4) management autonomy. The RFP stated that the management proposal and subcontracting plan would be "considerably more important" than technical staff capability and management autonomy. The solicitation provided further that technical excellence was more important than price but stated that if offers were relatively equal based upon the technical factors, award would be made based on lowest evaluated cost. Clause H.6 of the solicitation reserved for the agency the right to review resumes of proposed personnel and contained a 5-year minimum "experience in a building construction supervisory position" requirement for the offeror's proposed project manager.

For cost evaluation purposes, the agency pre-priced the labor, material, and equipment cost of anticipated items of work at a constant cost for all offerors, and requested each offeror to propose six coefficients (net, increase from, or decrease to the pre-priced items) for each year of performance to capture profit, variations in indirect cost, and other miscellaneous costs. Two coefficients, representing normal and overtime costs, were provided for each of three geographical areas.

The agency received seven proposals on August 29 and requested clarifications on November 1. The agency completed its initial evaluation on January 22, 1992, as a result of which it eliminated one offeror, which had failed to submit a technical proposal, from the competitive range. The agency conducted discussions with the six remaining offerors and asked each of them to submit a best and final offer (BAFO).

The agency received BAFOs on March 27 and completed its evaluation on April 9. During evaluations, the agency obtained information concerning the qualifications of the protester's proposed personnel from sources--other facilities--outside the proposal. Three offerors were judged to be relatively equal in technical merit with technical scores of 90 points or more. Of the three

offerors, Holmes & Narver tied for the highest score and was low in cost. Its technical score was 20 points higher than the protester, which submitted the overall lowest price. Based on her conclusion that the Holmes & Narver proposal offered the "best value" to the government, the contracting officer awarded a contract to Holmes & Narver on April 24. This protest followed.

The protester asserts that the technical evaluation of the experience of its proposed personnel was unreasonable because it was based upon information obtained outside S-V's written proposal from other facilities, specifically, the qualifications of its proposed project manager.

In considering protests against an agency's evaluation of proposals, we will not independently evaluate the proposals and make our own determinations as to their relative merit, but we examine the record to determine whether the evaluation was reasonable and consistent with the evaluation criteria. SeaSpace, 70 Comp. Gen. 268 (1991), 91-1 CPD ¶ 179. Regarding the evaluation of experience, we find that while the solicitation indicated that the agency would not separately rate experience, the solicitation clearly provided, as stated above, that experience would be considered under at least three of the four evaluation criteria--management plan, subcontracting plan, and technical staff capability. Further, information outside a proposal may generally be considered concerning the agency's past experience with an offeror. George A. and Peter A. Palivos, B-245878.2 et al., Mar. 16, 1992, 92-1 CPD ¶ 286. Moreover, the agency here advised the protester during discussions that it was contacting references with regard to its proposed project manager. We therefore find that the consideration of experience and the consideration of information from facilities familiar with the performance of the protester's proposed personnel was reasonable and consistent with the listed evaluation criteria.¹ See id.

¹The protester does not deny that its proposed project manager had only 4 years experience in building construction rather than the 5-year minimum required by the solicitation (or the 10 years the protester's proposal described as "desirable") or that he served primarily in the quality control area, as reported by sources at New Cumberland, rather than as a project engineer, as stated in his resume. The protester contends that the agency was incorrectly informed that the proposed project manager was fired from his previous job, when he actually resigned to accept a better position. Our review of the evaluators' comments demonstrates that the alleged misinformation had only a minor impact on the evaluation, and that other negative information supports the score in this area.

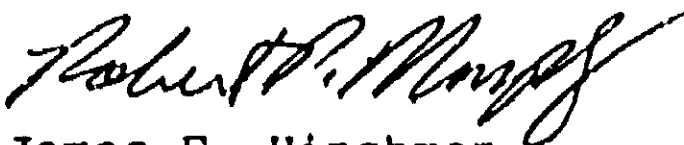
Next, the protester contends that the contracting officer did not conduct an adequate cost/technical tradeoff to justify payment of a cost premium for acceptance of a superior proposal, but instead relied upon a cost/price "best value" analysis which was inconsistent with the stated evaluation criteria that specified award on the basis of the proposal "most advantageous" to the government.

In a negotiated procurement, there is no requirement that award be made on the basis of lowest cost; cost/technical tradeoffs may be made, and the extent to which one may be sacrificed for the other is governed by the test of rationality and consistency with the established evaluation factors. Central Texas College, 71 Comp. Gen. 164 (1992), 92-1 CPD ¶ 121. Even where a source selection official does not specifically discuss the technical/price tradeoff in the selection decision document, we will not object to the tradeoff if clearly supported by the record. Varian Assocs., Inc., B-238452.4, Dec. 11, 1990, 90-2 CPD ¶ 478. We find that the record supports the award decision as both reasonable and consistent with the selection factors that the solicitation established.

The record shows that a contract price/cost analyst prepared for the contracting officer a "cost per technical point" breakdown, or "best value" analysis, and a ranking of offerors on that basis, with the awardee ranked first with a value of \$109.65 per technical point and the protester third, with a value of \$119.58 per technical point. In selecting Holmes & Narver for award, the contracting officer determined that the awardee had "submitted the technically acceptable proposal offering the best value to the Government." While the RFP did not specifically provide for the numerical scoring of both price and technical factors into a combined score, the fact remains that the solicitation emphasized technical excellence and consideration of cost. The record contains no evidence that the agency considered the protester's proposal to be technically equal to the awardee's proposal, so that price alone would have become the primary basis for selection. To the extent the protester argues that scoring of price increased its weight

in the selection decision, its use benefitted, rather than harmed the protester, which was the lowest cost offeror.²
NDI Eng'g Co., B-245796, Jan. 27, 1992, 92-1 CPD ¶ 113.

We deny the protest.


for James F. Hinchman
General Counsel

²In any event, we fail to see generally any significant difference between the "most advantageous" standard and the "best value" standard.